

**CITY OF ISSAQUAH
DEVELOPMENT SERVICES DEPARTMENT
ADMINISTRATIVE REVIEW**

NOTICE OF DECISION

TO: Kristi Tripple
Rowley Properties, Inc.
1595 NW Gilman Boulevard, Suite #1
Issaquah, WA 98027

SUBJECT: Kelkari Condominiums – extension of Master Site Plan

APPLICATION: MSP14-00001 (Master Site Plan Extension)

REFERENCE FILES: MSP 94-01 (Master Site Plan)
BSP 98-01 (Binding Site Plan)
SDP97-09 (Site Development Permit)
AAS98-03 (Administrative Adjustment of Standards – Parking)
AAS98-04 (Administrative Adjustment of Standards – Building Height)

DATE OF DECISION: June 11, 2014

REQUEST: The applicant, Rowley Properties, Inc., requests a minor amendment to the approved Kelkari Master Site Plan, MSP94-01, for to extend the Master Site Plan approval for an additional three (3) years.

The Master Site Plan as it is currently conditioned retains approval until August 31, 2014. As approved, the Master Site Plan would remain valid for an additional 3 years until August 31, 2017.

LOCATION: Located at 1000 Cabin Creek Lane SW. The Kelkari property is on both the north and south sides of SW Sunrise Place. See vicinity map, Exhibit 3.

SUBAREA: "Squak Mountain"

SITE AREA: 31.2 acres.

SITE ZONING: The property is zoned "MF-M" (Multifamily – Medium).

BACKGROUND: The Master Mater Site Plan for Kelkari was approved having 189 condominiums in 9 buildings, each multi-story building containing 21 dwelling units. A detached clubhouse was also included. The project was proposed to be developed in 3 phases, each phase having 63 dwelling units. Phase 1 was completed at the northern

end of the site and also included a clubhouse. Phases 2 and 3 were not completed. A Binding Site Plan approved with the Master Site Plan established where the future buildings within Phases 2 and 3 will be located. The project upon completion of the public hearing process was recommended for approval to the City Council.

12-8-1998: Issaquah City Council approves Kelkari Master Site Plan and a Binding Site Plan by Resolution 98-15, effective on December 7, 1998.

3-1-1999: The City Council reversed their earlier decision regarding Building B-2R and modified it to include 10 additional conditions.

8-18-2006: Letter from Planning Department to Gary Huff, attorney for Rowley Properties that the MSP is approved until at least August 31, 2011.

2-28-2011: Letter from Planning Department to Gary Huff, attorney for Rowley Properties that the MSP approval is extended to August 31, 2014.

EXISTING LAND USE:

The existing land use of the site contains 63 condominiums constructed in 3 multi-story buildings with below structured parking and a detached clubhouse building. A portion of the north side of the property (north of Sunrise Place) for phase 2 was previously cleared. The pad areas for phase 3 on the south side of Sunrise Place remains forested.

SURROUNDING LAND USES:

North: Cabin Creek and Wildwood Apartments (owned by Rowley Properties).

South: City limits and Squak Mountain Regional Park.

East: Single family ("Foothills at Issaquah" subdivision) and open space.

West: Single family and undeveloped property.

COMPREHENSIVE PLAN: The site is designated "Multifamily Residential" by the Issaquah Comprehensive Plan, as amended, January 20, 2014 by Ordinance 2706. The site also has a Subarea designated as "Squak Mountain".

DECISION MADE: On June 11, 2014, the Development Services Department conditionally approved the Master Site Plan Minor Amendment to allow a 3-year extension of the "Kelkari" Master Site Plan for Rowley Properties; Exhibits 1 through 10, subject to the

following conditions:

1. The Master Site Plan for "Kelkari" shall expire on August 31, 2017 unless further extension(s) is granted by the City of Issaquah in accordance with the Land Use Code.
2. The original conditions of the MSP remain valid, except as modified by this decision to extend the approval of the MSP for an additional three (3) years.
3. Building and Site Work Permits are required to be issued prior to construction of Kelkari Phases 2 and 3.

REASONS FOR DECISION:

1. The Master Site Plan Minor Amendment is authorized to be reviewed administratively as a Level 2 Review in accordance with the Level of Review Table, IMC 18.04.100.1 of the Issaquah Land Use Code. This includes Minor Amendments to Master Site Plans. The Level 2 Review process includes public notice to property owners within 300 feet of the site.
2. IMC 18.04.530-A (Amendments) states:

The following amendments may be permitted for an approved Master Site Plan, Cluster Housing Development Agreement and/or Transfer of Development Rights Development Agreement according to the following criteria:

- A. *Minor Amendment: Minor amendments shall be reviewed through a Level 2 Review and shall constitute the following:*
 1. *Technical: Technical amendments shall include:*
 - a. *Adding portions of adjacent parcels through lot line adjustments; or*
 - b. *An extension of time limit for three (3) years or fewer; or*
 - c. *Any amendment that remains substantially similar to the existing or proposed Plan or Agreement including, but not limited to:*
 - (1) *Minor changes to impervious surface; or*
 - (2) *Minor changes to the project uses, densities, buffers, or setbacks; or*
 - (3) *Minor changes to the height, size, or location of buildings or other improvements; or*
 - (4) *Similar minor changes as determined by the Planning Director/Manager.*
 2. *Design: Amendments that specifically relate to the design elements as listed in the approval criteria, or the Design Criteria Checklist, provided the amendments are consistent with applicable design guidelines or subarea plans.*

The amendments shall not substantially impact parking, City services or infrastructure. The Planning Director/Manager may choose to forward the request for a minor amendment to the Development Commission for their decision. In this situation, the Development Commission shall make the decision on minor amendments at a public hearing for which there was the proper public hearing notice (IMC 18.04.180, Public notification).

Response:

The proposal is for an extension as identified under IMC18.04.530-A-1-b, for an extension of 3 years. No other changes from the original approved Master Site Plan have been identified or requested for alteration by the applicant.

3. IMC 18.04.550-B-1 (Extension of time limit) states:

Before Expiration of Master Site Plan/Development Agreement Approval:

1. *The applicant may, at any time prior to expiration of the approval period, request additional time to complete the project through the following process:*
 - a. *Minor Amendment: If the applicant requests an extension of time of three (3) years or less, the request shall be processed as a minor amendment to the Master Site Plan/Development Agreement; or*
 - b. *Major Amendment: If the applicant requests an extension of time of more than three (3) years, the request shall be processed as a major amendment to the Master Site Plan/Development Agreement.*

Response:

The request for the minor amendment to extend the time limit for the Kelkari MSP was made within the allowable time prior to its expiration date. The request to extend the time limit was made on January 21, 2014 under application MSP14-00001. The current expiration for the Kelkari MSP is on August 31, 2014 and would be extended to August 31, 2017.

The request is for an extension of 3 years and the application is being processed as a Minor Amendment, level 2 Review in which the Director/Manager makes the decision.

4. A Minor Amendment as defined by the Land Use Code is: *"Amendment, minor (including minor exterior construction): Any amendment to the approved building or site that remains substantially similar to the existing or proposed development including, but not limited to, minor changes to impervious surfaces, minor changes to the project boundary, uses, densities, buffers or setbacks, height, size or location of buildings, or other improvements to the property; and/or is consistent with applicable design guidelines or subarea plans; and/or will not substantially impact parking, City services or infrastructure."*

Response:

The applicant has not requested to make any design changed to the original approved Master Site Plan.

- 5 Chapter 18.04.550(B)(2)(a-c) states the following regarding extensions of Master Site Plans:

"The request may be granted provided the following criteria are met:

- a) *The project has not been completed because of circumstances beyond the applicant's control.*
- b) *The applicant has shown a diligent, good faith effort to complete the project within the time previously allotted.*
- c) *The project can be built pursuant to the Land Use Code in effect at the time of the extension request without significant changes in the design originally approved.*
"Significant changes" are any changes which would not classify as minor amendments to the Master Site Plan/Development Agreement."

Response:

The Master Site Plan for Kelkari had originally been extended to August 31, 2011 and a request was later made to the Planning Department to extend the MSP beyond that date for Phases 2 and 3. The City Administration at that time stated that "the city, at its discretion, [may] establish a definite termination date or require a formal extension request if Phase 2

and/or Phase 3 of the project are not completed by August 31, 2011.” A 3-year extension was requested and approved with the understand that maintaining the MSP approval until August 31, 2014 is consistent with the Council’s original approval given the length and depth of the recent recession and the resultant lack of demand for new housing over the last 3 years. The decision also noted that if a building permit has not been issued by August 31, 2014 that the MSP would expire on that date unless a request to extend the phasing plan for the MSP is made and approved in accordance with IMC 18.04.550-B. The conditions of the past 3 years had remained the same (related in part to the economy) and the request for the extension is reasonable. Further 3-year extensions are allowed by the Land Use Code.

The applicant, Rowley Properties, has made diligent, good faith effort to implement the Master Site Plan including phasing of the project (phases 1, 2, & 3) in which the first phase of 3 of the 9 multi-story buildings containing 63 dwelling units were completed.

The applicant and the City have been working collaboratively towards the construction of the Mountain Park Pump Station that will serve as fire flow mitigation to the site. Rowley Properties has slated payment in the amount of \$400,000 towards the construction of the new Mountain Park Pump Station. The 480 zone has been deficient in fire storage is what the cost sharing agreement is for. The purpose of the Rowley Properties Agreement Amendment for the 480 Zone Reservoir is to allow Rowley Properties to pay \$400,000 of its share in the cost of the pump station to accommodate the required fire flows which would mitigate the Kelkari Master Site Plan impact on fire storage (this was discussed with City Council Agenda Bill 6712 and as agreed upon with Amendment No. 1 to the Agreement for Cost Sharing 480 Zone Reservoir). The payment of the \$400,000 is connected to the entitlement of the phase 2 and 3 construction of the Kelkari Condominiums and fully mitigates any fire storage or fire flow related impacts associated with or flowing from its intended construction of the condominium development. The \$400,000 goes toward the cost of design, review, permitting and construction of the Mountain Park pump station.

Section III of Amendment No. 1 goes further to state that the term of Rowley’s Kelkari development approvals is extended from August 31, 2014 for a period of 3 years. Further extensions of the Master Site Plan may be granted upon review of requests made in accordance with the Issaquah Municipal Code. Side Note: The pump station recently received Development Services Department approval for the design of the station under Administrative Adjustment of Standards application AAS14-00001 approved on May 21, 2014.

The Kelkari Crossing MSP project can be built pursuant to the Land Use Code in effect at the time of this extension without significant changes in the design originally approved.

6. The Master Site Plan Minor Amendment is determined to be SEPA Exempt by WAC 197-11-600 (Use of existing environmental documents). SEPA review was previously conducted for the Kelkari MSP through an Environmental Impact Statement. The current proposed minor amendment is only for an extension of time and no changes to the proposal are requested. The proposal to add three years to the expiration date will not result in any new significant adverse impacts that would change the analysis of impacts or alternatives that were considered in the original SEPA document. The proposal to extend the permit is a procedural action.
7. The project application and plans were routed to all project reviewing departments and divisions, and their comments and concerns have been addressed in this Notice of Decision.

PUBLIC NOTIFICATION:

Public notification to property owners within 300 feet of the subject site was required as part of the Level 2 Review – Master Site Plan Minor Amendment. A Notice of the Application was mailed out to the property owners on March 5, 2014, and a 14-day comment period ended on March 19, 2014. The “Notice of Application” and the “Notice of Decision” is also made available to the public on the City’s web site.

IMC18.04.530-C-1 also states in part: *“All property owners within the approved Master Site Plan shall be parties of record for the purposes of public notification of proposed amendments.”*

The City received 9 letters of correspondence from citizens regarding the project. Correspondence received is entered as Exhibit 8.

The Notice of Application stated that only “parties of record” would receive a written copy of the Notice of the Decision. In summary, the comments were regarding the following issues:

1. Concern about run-off and degrading of Issaquah Creek and Cabin Creek.
Mitigation was provided with Phase 1 of the development that included restoration of Cabin Creek by pulling back the banks due to its sloughing. The work eliminated erosion and enabled the creek to function properly. The bank of the creek was restored with native landscape materials. Rowley Properties is a supporter of caring for creeks in the City and were significant contributors to the recent Issaquah Creek Dam restoration.
2. Concern about the number of dwelling units with the project and impacts to adjacent residential.
The site is zoned Multifamily Residential-Medium with a density allowance of 14.52 dwelling units to the acre, and with credit but less density for the critical area of the site (steep slopes) that will be retained as open space. The property at one time was zoned Multifamily-High with a density that would have allowed 29 dwelling units to the acre but the property was down zoned. No further downzoning is proposed. The development will allow taller buildings than the nearby single family houses but landscape buffers are being provided around the periphery and the design of the buildings will have a lodge like look to them to better fit in with the wooded neighborhood environment. The number of units allowed with Phases 2 and 3 is 126 dwelling units and that number has not changed since the original approval. Finally, there is a full model of the entire development that resides in the Kelkari clubhouse that may be viewed. Owners at Kelkari have been provided statements of future development plans for phases 2 and 3. At this time, no plans have been received for the construction of phases 2 and 3.
3. Concern about traffic impacts.
Traffic impacts are in two factors: construction traffic with new buildings and permanent traffic with new occupied dwellings. Construction traffic for phases 2 and 3 will be unavoidable, but temporary and will use the adjacent arterials. The developer will make every effort to lessen the temporary impact. All construction activities will need to comply by approved construction days/hours allowed as permitted with construction permits.

Condition #4 of the Master Site Plan required the following mitigation for transportation impacts:

Kelkari shall be responsible for the following for traffic mitigation as prorated with the Foothills project:

- a) Sunrise Place SW shall be improved to meet current street cross-sections or the equivalent, and shall have thirty-two (32) feet of paving and sidewalk on one side.*
- b) Widen and rechannel the intersection of Newport Way and Wildwood Blvd. SW. The design tentatively includes separate left and right turn lanes from Wildwood Blvd. SW onto Newport Way and a single lane from Newport Way onto Wildwood Blvd. SW. A concomitant agreement is also required for full signalization of this intersection if warranted by future traffic (of which Kelkari-related traffic forms a substantial part) or accident conditions and if such signalization will cause a demonstrable improvement in traffic flow.*
- c) The right-of-way across the Kelkari site shall be a fifty (50) foot right-of-way and shall be improved with thirty-two feet of paving and five (5) foot sidewalks on both sides of the roadway.*
- d) The applicant shall sign a concomitant agreement for the cost of applicant's fair share of a pedestrian crossing on the Clark Street Bridge, as required under the mitigation section of the Foothills DEIS, p. 148 in the traffic study.*
- e) Construction of a school bus turn-out, if required by the school district, at the intersection of Wildwood and Sunrise Place.*

Kelkari shall be fully responsible for the following required mitigation:

- a) Additional easement areas or dedications shall be made to the City as may be required during final design stage to ensure adequate line of sight is provided at all intersections and junctions of the roadway system.*
 - b) Rights-of-way for the cul-de-sac roads shall measure thirty-seven (37) feet in width. These rights-of-way shall become City streets and shall be improved with 24 feet of paving which accommodates a 5-foot sidewalk on one side of the road.*
 - c) Provide the City with slope easements or construct retaining walls in the right-of-way at the direction of Public Works per Public Works requirements for the public roadways and show these easements on the final plat.*
 - d) Work with METRO to develop a Transportation Management Plan for that development which incorporates the following: Provide a free one-month bus pass to renters (peak hour, two zone); and distribute transit and ride-sharing information to renters of the apartments which includes a map of the routes to take to the nearest transit routes. Also discuss with METRO the impact of the development on the METRO Park and Ride Lot and bus use and any measures, if any, to mitigate impacts.*
4. Concern about the loss of privacy and greens space and reduction of natural areas for wildlife.
There will be a loss of green space on the property with Phases 2 and 3 development. The property however, has been slated for development including new landscaping that will be added. Rowley Properties has stated that Kelkari homeowners were all made aware of

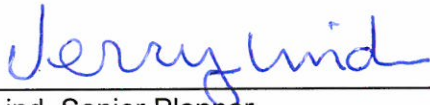
future plans for Kelkari with the purchases of their homes. Multifamily development will often result in less privacy than single family development. The site is zoned MF-M (Multifamily – Medium). In addition, The Kelkari project site is maintaining large areas as open space that will be projected, including along Cabin Creek, on-site wetlands, and steep slope areas. The Master Site Plan amendment application states that pervious area of the site is 86.2 and the impervious area is 13.8 .

5. Concern about sink holes and wet site.

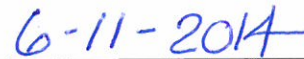
The property owner is aware of the site's constraints of Critical Areas, including steep slopes, wetlands, creeks and nearby former mining activities. The site when developed under Phases 2 and 3 will not pose an environmental risk or impact. Environmental impacts and constraints of the site were reviewed with the Environmental Impact Statement. Also, there are no sink holes on the property. Rowley Properties will work hard to develop the site in a sustainable manner. Phase 1 of the Kelkari project did restore the creek bank of the adjacent Cabin Creek and it was re-landscaped with native vegetation.

6. Concern with development as condominiums or apartments.

The project proposal has been planned since the beginning to be developed as condominium dwelling units. The Development Services Department has not been notified of any change to the ownership of the future dwelling units.



Jerry Lind, Senior Planner



Date

EXHIBIT LIST:

1. Master Site Plan-Minor Amendment application and narrative description, application MSP14-00001, received 1-21-2014
2. Affidavit of Ownership, received 1-21-2014
3. Vicinity Map
4. Letter from Mark Hawthorne, Planning Director, responding to project MSP phasing, dated 2-28-2011
5. Amendment No. 1 to the Agreement for Cost Sharing 480 Zone Reservoir, received 1-21-2014
6. Agenda Bill 6712, 480 Zone Reservoir Cost Sharing Agreement, dated 10-7-2013
7. Amendment No. 1 to the Agreement for Cost Sharing 480 Zone Reservoir, dated November 2013
8. Issaquah Municipal Code Chapter 18.04.550, Extension of time limit
9. Correspondence received from surrounding property owners
10. Response letter from Rowley Properties regarding public comments received by the Development Services Department, received 4-7-2014

REFERENCE DOCUMENTS WITH KELKARI:

1. Kelkari Master Site Plan, application MSP94-01
2. Kelkari Binding Site Plan, application BSP98-01
3. Kelkari Site Development Permit, application SDP97-09
4. Kelkari Administrative Adjustment of Standards/Parking, application AAS98-03
5. Kelkari Administrative Adjustment of Standards/Building Height, application AAS98-04
6. Resolution 98-15 approving the Kelkari Master Site Plan

MSP14-00001,Kelkari MSP extension,Notice of Decision

VICINITY MAP

KELKARI

Sunrise Place SW/Cabin Creek Lane SW

